

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 Dover, Delaware 19904-2467

STATE OF DELAWARE **DEPARTMENT OF STATE**

DIVISION OF PROFESSIONAL REGULATION

TELEPHONE: (302) 744-4500 Fax: (302) 739-2711

WEBSITE: WWW.DPR.DELAWARE.GOV

PUBLIC MEETING MINUTES: **DELAWARE REAL ESTATE COMMISSION**

MEETING DATE AND TIME: Thursday, January 12, 2012 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, Second Floor of the Cannon Building

MINUTES APPROVED: February 9, 2012

MEMBERS PRESENT

Andrew Staton, Professional Member, Chairman Christopher J. Whitfield, Professional Member, Vice Chairman Michael Harrington, Sr., Professional Member, Secretary James C. Brannon, Jr., Public Member Gilbert Emory, Public Member Patricia O'Brien, Public Member Ricky H. Allamong, Professional Member Vincent M. White, Professional Member Joseph F. McCann, Public Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

Kay Warren, Deputy Director, Division of Professional Regulation Eileen Heeney, Deputy Attorney General Gayle Melvin, Administrative Specialist III Jessica Williams, Administrative Specialist II

ALSO PRESENT

Tim Riale Doug Doyle Crystal Hudson, SCAOR Denise Tatman, DAR Paul Handler Rob Allen Bobbi Slagle

Todd Stonesifer, DAR Charlotte Papaleo, DAR Andrew Taylor, Esquire Philip McGinnis

CALL TO ORDER

Mr. Staton called the meeting to order at 9:03 a.m. Mr. McCann was welcomed to the Commission.

REVIEW OF MINUTES

A motion was made by Mr. White, seconded by Ms. O'Brien to approve the minutes of the meeting held on December 8, 2011. The motion passed unanimously.

NEW BUSINESS

Applications for Licensure

A motion was made by Mr. Brannon, seconded by Mr. White to ratify the following new salesperson applicants as presented:

Louis Molnar, Condominium Realty Ltd., Ocean City, MD

Matthew Locraft, KLNB, Brambleton, VA

Robin Little, Prudential Fox & Roach, Devon, PA

James Kauker, Long & Foster, Bethany Beach, DE

Micah Glover, Prudential Fox & Roach, Greenville, DE

Gregory Murphy, Crowley Associates Realty, Inc., Bethany Beach, DE

Elizabeth Miller, Prudential Fox & Roach, Greenville, DE

Sherilyn McLaughlin, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Brianna Scampton, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Sandra Freeman, Metro Referrals, Bear, DE

Diane Holoka, Prudential Fox & Roach, Devon, PA

Richard Citrino, Century 21 Fantini Real Estate, Claymont, DE

Jennifer Ford, Prudential Fox & Roach, Greenville, DE

Mark Singleton, Prudential Fox & Roach, Newark, DE

Charlotta Sedgley, National Referral Real Estate, Wilmington, DE

Kathleen Thomas, Re/Max by the Sea, Bethany Beach, DE

Patricia Piemontese, Delaware Realty, Lewes, DE

Jamie Spencer, R & R Commercial Realty, Inc., Dover, DE

Faith Foxwell, Crowley Associates Realty, Inc., Bethany Beach, DE

Beverly Foote, Coldwell Banker Resort Realty, Seaford, DE

Gertrude Hillman, Realty Mark-First State, Newark, DE

Dorise McVicker, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Christine Kratzer, Coldwell Banker Residential Brokerage, Bethany Beach, DE

Henry Jaffe, Ocean Atlantic Sotheby's, Lewes, DE

Lynn Morrow, Realty Mark-First State, Newark, DE

The motion passed unanimously.

The application of Drew Wodarski for a non-resident broker's license was reviewed. A motion was made by Mr. White, seconded by Ms. O'Brien to approve this application. The motion passed unanimously.

The application of Charles Swope for a non-resident broker's license was reviewed. A motion was made by Mr. White, seconded by Ms. O'Brien to approve this application. The motion passed unanimously.

The application of Meghan Chorin for a non-resident broker's license was reviewed. A motion was made by Mr. White, seconded by Ms. O'Brien to approve this application. The motion passed unanimously.

The application of Linda Bradley-Thompson for a resident broker's license was reviewed. A motion was made by Mr. Allamong, seconded by Mr. White to propose to deny this application because she does not meet the requirements of Rule and Regulation 3.2.2. The motion passed unanimously.

The application of William Davis for a resident broker's license was reviewed. A motion was made by Mr. Brannon, seconded by Mr. White to approve this application. The motion passed unanimously.

The application of Anne Powell for a resident broker's license was reviewed. A motion was made by Mr. Brannon, seconded by Mr. White to approve this application. The motion passed unanimously.

The application of Jennifer Hughes for a resident broker's license was reviewed. A motion was made by Mr. Brannon, seconded by Mr. White to approve this application. The motion passed unanimously.

The application of William Mann for a resident broker's license was reviewed. A motion was made by Mr. Brannon, seconded by Mr. White to approve this application. The motion passed unanimously.

The application of Christopher Lind for a resident broker's license was reviewed. A motion was made by Mr. Brannon, seconded by Mr. White to approve this application. The motion passed unanimously.

New Offices

The application of Delaware Homes, Inc. for a new office was reviewed. A motion was made by Mr. Staton, seconded by Mr. Harrington to approve this application. The motion passed unanimously.

The application of Long & Foster for a new office was reviewed. A motion was made by Mr. Allamong, seconded by Mr. Brannon to approve this application. The motion passed unanimously.

The application of Coastal Living Realty for a new office was reviewed. A motion was made by Mr. White, seconded by Mr. Whitfield to approve this application pending receipt of a diagram or sketch of the house and complete set of photos for review by Ms. Melvin. The motion passed unanimously.

The application of Metro Referral Associates for a new office was reviewed. A motion was made by Mr. White, seconded by Mr. Brannon to approve this application pending receipt of verification of the installation of a permanent sign. The motion passed unanimously.

HEARING

Public Hearing Regarding Proposed Revisions to the Rules and Regulations

Ms. Heeney called the Public Hearing to order at 9:22 a.m. The Commission proposed extensive revisions to the rules and regulations to implement amendments to the Commission's licensing law. Chapter 29 of Title 24 of the *Delaware* Code, which will go into effect on February 3, 2012. In particular, the proposed rules specify the licensure requirements for Broker of Record, Associate Broker and Salesperson and for licensure by reciprocity. The Commission proposed removal of the requirement that application must be made within twelve months after course completion. However, if application is not made within twelve months, the applicant must meet continuing education requirements. The amendments add provisions imposing greater responsibility on the Broker for the conduct of his or her Associate Brokers and Salespersons. Specifically, Brokers will be required to maintain continuing education certificates for Associate Brokers and Salespersons. The rules pertaining to advertising are expanded to set forth disclosure requirements for all types of advertising. including internet advertising. The rules pertaining to continuing education are expanded to specify requirements for licensure renewal. The Commission's authority to conduct audits and impose discipline in connection with rule to show cause hearings is also explained in detail. Finally, the list of crimes substantially related to the provision of Real Estate Services is expanded. Notice of the Public Hearing was published in two Delaware newspapers. Notice of the Public Hearing was published in the Delaware Register of Regulations. Verbatim testimony was recorded by Ms. Melvin. No written comments were received. No public comments were received. A motion was made by Mr. White, seconded by Mr. Brannon to close the Public Hearing. The motion passed unanimously. At 9:25 a.m., the Commission went off the record and held deliberations. At 9:27 a.m., the Commission went back on the record. A motion was made by Mr. Whitfield, seconded by Mr. Brannon to approve the proposed revisions to the rules and regulations. The motion passed unanimously. Commission members signed the final order from the Public Hearing. The Public Hearing closed at 9:28 a.m.

NEW BUSINESS CONTINUED

Applications for Licensure Continued

The application of Hugh Smith for a non-resident broker's license was reviewed. A motion was made by Mr. Whitfield, seconded by Mr. Allamong to deny the waiver request and to propose to deny this application because he does not meet the requirements of Rule and Regulation 3.2.2. The motion passed by majority vote. Mr. Allamong voted against the motion.

The application of George Cole for a resident salesperson's license was reviewed. A motion was made by Mr. Allamong, seconded by Ms. O'Brien to approve this application. The motion passed unanimously.

The application of Joseph Cole for a resident salesperson's license was reviewed. A motion was made by Mr. Allamong, seconded by Ms. O'Brien to approve this application. The motion passed unanimously.

The application of Diana Zipfel for a resident salesperson's license was reviewed. A motion was made by Mr. Allamong, seconded by Ms. O'Brien to approve this application, but the license will not be issued until the license for Metro Referral Associates is issued. The motion passed unanimously.

Reinstatement of License

The application of Mark Mueller for reinstatement of a non-resident broker's license was reviewed. A motion was made by Mr. White, seconded by Mr. Brannon to approve Mr. Mueller for reinstatement pending passing the state portion of the exam. The motion passed unanimously.

Status of Complaints

Complaint No. 02-30-10 - Closed

Complaint No. 02-24-11 – Assigned to Mr. Harrington Complaint No. 02-25-11 – Assigned to Mr. Whitfield Complaint Mo. 02-26-11 – Assigned to Mr. Allamong Complaint No. 02-27-11 – Assigned to Mr. White Complaint No. 02-01-12 – Assigned to Mr. Staton

A discussion was held regarding keeping the contact person involved during all the phases of the investigation of a complaint. Mr. Staton stated that he will discuss this matter with Sam Nickerson.

Education Committee Report

Mr. Riale reported that Doug Doyle was elected Chairperson and Dee Hake DeMolen was elected Vice-Chairperson of the Education Committee at the January 5, 2012 meeting. The Commission thanked Mr. Riale for his services as Chairperson.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

A motion was made by Mr. White, seconded by Mr. Allamong to approve and deny course providers, instructor applications and student requests as noted in the minutes of the January 5, 2012 meeting of the Real Estate Education Committee. The motion passed unanimously.

Mr. Harrington asked that since the members of the Education Committee are volunteers, could the report from the Education Committee be moved up on the agenda so that the members would not have to wait to give their report. It was decided to have the Education Committee report as the first agenda item under new business.

Review of Letter from Christopher Baldini Requesting a Waiver of the One-Year Requirement

The Commission reviewed the letter from Christopher Baldini requesting a waiver of the one-year requirement from completing the course in which to pass the exam and become licensed. A motion was made by Mr. Allamong, seconded by Mr. Brannon to approve the waiver and to grant Mr. Baldini 60 additional days from the last day that he was eligible to test. The motion passed unanimously.

Discussion: Real Estate Test Development Meeting

A discussion was held concerning the upcoming real estate test development meeting. The meeting will be held on March 28th and 29th. The Commission reviewed the list of subject matter experts from the March, 2010 test development meeting. It was decided that Mr. Harrington and Mr. White will participate from the Commission. It was decided to ask Bruce Plummer, Gene Millman, Sal Sedita, Bonnie Sheer, Andy Taylor, John Tarburton and William Ward to also participate. A motion was made by Mr. Allamong, seconded by Mr. White to approve these individuals to participate and to provide their names and contact information to PearsonVUE as subject matter experts for the March, 2012 test development meeting. The motion passed unanimously.

<u>Discussion</u>: Seller's Disclosure, New Construction for Workforce Housing Projects

Ms. Heeney reported that the Division of Professional Regulation had an inquiry about the seller's disclosure form that she was asked to respond. She asked for input from Commissioners so she could respond to the inquiry.

OLD BUSINESS

Review of Revised Consumer Information Statements

Mr. Taylor reviewed the final changes to the Consumer Information Statements with Commissioners. A motion was made by Mr. White, seconded by Mr. Allamong to approve the Consumer Information Statement for consumers seeking to purchase or sell residential property designed for use by 1-4 families. The motion passed unanimously. A motion was made by Mr. Allamong, seconded by Mr. Whitfield to approve the Consumer Information Statement for consumers seeking to rent residential property. The motion passed unanimously. These forms will become effective on February 3, 2012. An email will be sent to all licenses advising them of the new forms. The Commission thanked Mr. Taylor for all the work that he had done on these forms.

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Ms. Melvin reported that the prefixes on the license numbers will be changing. There will no longer be R1, R2, R3 and R4. There will be RA for associate brokers, RB for brokers and RS for salespersons. The forms on the website are being updated to reflect the new statute changes.

Mr. Staton signed a certificate of appreciation for Denise Stokes for service on the Real Estate Commission from 2005 through 2011.

A recess was taken from 10:20 a.m. to 10:36 a.m.

PUBLIC COMMENT

The Commission reviewed the written comments received from Phil McGinnis concerning the proposed changes to the continuing education requirements. Mr. McGinnis had recently attended the "Train the Trainer" course and his comments resulted from that course.. Mr. McGinnis was present and discussed these comments, specifically the problems that he saw in some areas of the proposed changes, with the Commission.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, February 9, 2012 at 9:00 a.m.

ADJOURNMENT

A motion was made by Mr. Brannon, seconded by Mr. Emory to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 11:23 a.m.

Respectfully submitted,

Gayle L. Melvin

Administrative Specialist III